



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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WILLIAM T FUJIOKA
Chief Executive Officer

January 11, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS:
OLIVE VIEW-UCLA MEDICAL CENTER
PHARMACY CLEAN ROOM RENOVATION PROJECT
APPROVE REVISED PROJECT BUDGET
CAPITAL PROJECT NO. 86872
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

Approve the revised project budget in order to complete the Olive View-UCLA Medical Center Pharmacy Clean Room Renovation Project to comply with the United States Pharmacopeia Chapter 797 requirements.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the revised project budget of \$1,150,000 from \$1,060,000 in order to fund completion of the Olive View-UCLA Medical Center Pharmacy Clean Room Renovation Project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will increase the project budget to \$1,150,000 and allow the Department of Public Works (Public Works) to complete construction of the Olive View-UCLA Medical Center (OVMC) Pharmacy Clean Room Renovation Project. An increase in the project budget is recommended due to redesign of the project, cost for permit/fee, and the implementation of multiple construction phases that required additional County and inspection services.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 JANUARY 11, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Background

On September 2, 2008, your Board approved the establishment of Capital Project No. 86872 for the OVMC Pharmacy Clean Room Renovation Project to comply with the United States Pharmacopeia Chapter 797 (USP 797) requirements, with a project budget of \$1,060,000.

This project originally consisted of renovations to the pharmacy to construct two separate clean rooms for formulating chemotherapy and intravenous medical compounds. Design of the project began immediately after establishment of the project.

In February 2010, after the design was completed and just as the renovation project started (using a job order contract), the Department of Health Services (DHS) requested that Public Works include the installation of two Talyst pharmaceutical dispensing machines, which DHS had procured separately. Since construction was already in progress in the pharmacy, it was determined that combining the Talyst system installation with the USP 797 project work would not only reduce the combined cost of both projects, but would also minimize the impact on the pharmacy operations and patient services.

The installation of the Talyst system necessitated a revision to the design of the original pharmacy project, resequencing of project phases, review of the revised plans by the Office of Statewide Health Planning and Development, and a seven month extension to the overall schedule of the expanded project scope. These changes will increase the project budget by \$90,000.

While these costs increased the overall project budget, it was more efficient to add installation of the Talyst System to the USP 797 project rather than create a separate project which would potentially have more significant costs and further impact on pharmacy operation and patient services.

Implementation of Strategic Plan Goals

The proposed project meets the Countywide Strategic Plan Goal of Fiscal Responsibility (Goal 4) by investing in public infrastructure.

FISCAL IMPACT/FINANCING

The total revised project cost, including plans and specifications, construction and County services is \$1,150,000, which is \$90,000 higher than previously approved by your Board on September 2, 2008. Sufficient appropriation is available in the Fiscal Year 2010-11 Capital Projects/Refurbishments Budget under Capital Project No. 86872 to fund the increase to the project budget.

The Project Schedule and Project Budget summary are included in Attachment I.

Operating Budget Impact

DHS anticipates no increase in operational costs because the project renovated existing space does not result in increasing staff.

ENVIRONMENTAL DOCUMENTATION

On September 2, 2008, your Board found that this project is categorically exempt under the California Environmental Quality Act Guidelines, and the recommended actions are within the scope of the previous project approval and categorical exemption finding.

IMPACT ON CURRENT SERVICES (OR PROJECT)

The pharmacy remains fully operational during construction. The phasing measures described above minimize impact to operations and inconvenience to patients and staff during construction. The areas in the pharmacy not directly affected by construction are barricaded with temporary construction partitions to provide dust, infection, and noise control.

CONCLUSION

Please return one adopted copy of this letter to the Chief Executive Office, Capital Projects Division; Health Services, Capital Projects Division; and Public Works, Project Management Division I.

Respectfully submitted,

William T Fujioka by Elle Lordt

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR
DJT:TF:zu

Attachment

- c: Executive Office, Board of Supervisors
- Auditor-Controller
- County Counsel
- Health Services
- Public Works

ATTACHMENT I

**DEPARTMENT OF PUBLIC WORKS
OLIVE VIEW-UCLA MEDICAL CENTER
PHARMACY CLEAN ROOM RENOVATION PROJECT
APPROVE REVISED PROJECT BUDGET
CAPITAL PROJECT NO. 86872**

I. PROJECT SCHEDULE

Project Activity	Original Completion Date	Completion Date
Jurisdictional Approvals	8/31/2009	02/01/10*
Construction JOC Phase I Completion	6/15/2010	05/27/10*
Construction JOC Phase II Completion	6/15/2010	07/26/10*
Construction JOC Phase III Completion	6/15/2010	09/24/10*
Construction JOC Phase IV Completion	6/15/2010	01/14/11
Final Acceptance	8/15/2010	02/17/11

* Indicates completed activity

II. PROJECT BUDGET SUMMARY

Budget Category	Approved Budget	Impact of This Action	Revised Project Budget
Construction			
Construction	\$ 679,500	(\$139,000)	\$ 540,500
Change Order Allowance	75,500	416	75,916
Total Construction	\$ 755,000	(\$138,584)	\$ 616,416
Plans and Specifications	\$ 113,000	\$ 87,953	\$ 200,953
Consultant Services	\$ 100,000	(\$ 24,889)	\$ 75,111
Miscellaneous Expenditures	\$ 12,000	(\$ 7,000)	\$ 5,000
Permits and Fees	\$ 0	\$ 10,200	\$ 10,200
County Services	\$ 80,000	\$162,320	\$ 242,320
Total Project	\$1,060,000	\$ 90,000	\$1,150,000